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* ADMITTED IN CA. ONLY

Ms. Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
12th Street & Constitution Avenue, N.W.
Washington, D.C. 20423

Re: Recordation of Documents:
Sales Orders and Security Agreement

Dear Ms. Mergenovich:

Please find enclosed for recordation pursuant to 49
U.S.C. 11303 two counterpart copies of:

SECURITY AGREEMENT, dated September 10, 1982, by and
between The First National Bank of Dunmore ("Creditor")
and Pocono Northeast Railway, Inc. ("Debtor"), with SALES
ORDER NOS. 2-00-5101 and 2-00-5102 dated August 23, 1982,
of Pocono Northeast Railway, Inc. ("Vendee") to
Consolidated Rail Corporation ("Vendor"), attached.

The names and address of the parties to this
transaction are as follows:

Vendee and Creditor

Pocono Northeast Railway, Inc.
81 West Union Street
Wilkes-Barre, PA 18701

Creditor

First National Bank of Dunmore
102 East Drinker Street
Dunmore, Pennsylvania 18512

Vendor

Consolidated Rail Corporation
Six Penn Center
Philadelphia, PA

SEP 13 1982-3 02 PM

INTERSTATE COMMERCE COMMISSION

13791

SEP 13 1982-3 02 PM

INTERSTATE COMMERCE COMMISSION

INTERSTATE COMMERCE COMMISSION

No. SEP 13 1982

Date

Fee \$ 50.00

ICC Washington, D. C.

SEP 13 2 53 PM '82

WITKOWSKI, WEINER, MCCAFFREY AND BRODSKY, P. C.

Ms. Agatha L. Mergenovich

-2-

September 13, 1982

The equipment that is the subject of this transaction is described as follows:

Two (2) used locomotives: (1) model SW-900, built by the Electro-Motive Division of General Motors Corporation with the Consolidated Rail Corporation reporting mark "CR 8638", (2) Model SW-1, built by the Electro-Motive Division of General Motors Corporation with the Consolidated Rail Corporation reporting mark "CR 8408".

Pursuant to 49 C.F.R. Part 1116, please stamp the documents described above with the date and hour of recordation, a recordation number and a notation to the effect that it has been filed pursuant to the provisions of section 11303 of the Title 49, United States Code. After performing these tasks, please retain one copy of these documents in the Commission's files and return the other to the delivering agent of:

Witkowski, Weiner, McCaffrey and Brodsky, P.C.
1575 Eye Street, N.W., Suite 350
Washington, D.C. 20005

Enclosed is a check drawn to the order of the Interstate Commerce Commission for filing fees.

Your cooperation is appreciated.

Pocono Northeast Railway, Inc.

By its Special Counsel,



R. Lawrence McCaffrey, Jr.
Peter A. Gilbertson
Mark Sidman
Witkowski, Weiner, McCaffrey
and Brodsky, P.C.
Suite 350
1575 Eye Street, N.W.
Washington, D.C. 20005

3891B-635

CONSOLIDATED RAIL CORPORATION

MATERIALS AND PURCHASING DEPT.
ROOM 501 1528 WALNUT STREET
PHILADELPHIA, PENNSYLVANIA 19102

Sold To Pocono Northeast Railway Inc.
81 West Union Street
Wilkes-Barre, Pa. 18701

13791/A

REGISTRATION NO. FILED 1425

Sales Order No.

2-00-5101

Attn: Mr. Robert McNichols
General Manager

SEP 13 1982-3 00 PM

INTERSTATE COMMERCE COMMISSION

DATE

8-23-82

THE FOLLOWING MATERIAL WILL BE SHIPPED AS SHOWN BELOW IN ACCORDANCE WITH PURCHASER'S ORDER NO.

QUANTITY		DESCRIPTION OF MATERIAL	PRICE (PER UNIT)
NUMBER	UNIT		
1	EA	Retired Diesel Electric Locomotive, EMD Model SW-900, in "As Is" condition. CR 8638 Locomotive to be load tested by Conrail, Injector Racks and Electrical adjustments made when necessary to achieve specified horseposer and maximum tractive effort.	\$35,000 EACH
TO BE SHIPPED BY		J.J. Butler, Chief Mech. Officer Consolidated Rail Corporation Room 750-Six Penn Center Philadelphia, Pa.	TERMS OF PAYMENT Certified or Cashier's Check prior to delivery.
FROM		Enola, Pa.	F.O.B. CONSOLIDATED RAIL CORPORATION Conrail Tracks - Pittston, Pa.
CONSIGN TO CONSOLIDATED RAIL CORPORATION C/O FREIGHT AGENT Pittston, Pa.			

Ship To: Pocono Northeast Railway Inc.
Pittston, Pa.
Conrail Delivery

TO THE PURCHASER

PURCHASER

"This is your copy of the order issued for the sale to you of the material described above. Unless previously confirmed by form PUR 11, this sale is subject to final availability."

Correspondence concerning this order and shipments or billing in connection therewith should be directed to Director-Asset Disposition.

The Purchaser understands and agrees that the sale of the material or equipment described above is subject to the terms and conditions on the reverse side hereof and attached hereto.

ADDITIONAL TERMS AND CONDITIONS ATTACHED ☐ YES

By

DIRECTOR-ASSET DISPOSITION

CONSOLIDATED RAIL CORPORATION

MATERIALS AND PURCHASE DEPT.

1000 301 NORTH 10TH STREET

MINNEAPOLIS, MINN. 55401

TERMS AND CONDITIONS

1. INSURANCE PROVISION:

If it becomes necessary for Buyer either through itself, its employees or agents to enter upon the premises or property of Seller (CONSOLIDATED RAIL CORPORATION), in order to construct, erect, inspect or remove hereunder, Buyer, by acceptance of this order hereby covenants and agrees to assume the risk of the premises of and the activities conducted thereon by Seller and to take all necessary precautions to avoid injuries, deaths and damages to any person or property (including also officers, employees, agents and property of either Seller or Buyer) resulting from any action or operation under the contract or in connection with the work or presence hereunder of Buyer, its officers, employees or agents upon the premises of Seller, howsoever caused; and in respect thereto covenants and agrees to protect, indemnify and save harmless Seller against all claims, actions, damages and expenses arising by reason of any such happening or occurrence.

Any Buyer further covenants and agrees to procure, before entering upon the premises of Seller, and carry Workmen's Compensation Insurance, Public Liability and Property Damage Insurance, with limits of not less than \$500,000 Bodily Injury and \$200,000 Property Damage, including Contractual Liability with endorsement showing specific reference to Seller's order as issued. If requested by Seller, evidence of insurance, satisfactory to Seller, shall be submitted to Seller for approval prior to entry upon premises of Seller.

Buyer shall comply with all applicable laws, ordinances, rules and regulations of public authority and shall also protect, indemnify and save harmless Seller from any and all fines, penalties, loss or damage to which Seller may be subjected or held liable for, by reason of any failure of Buyer, its employees or agents to so comply.

2. WHITELINED CARS:

Cars shall not be placed in interchange service unless they have been modified to meet mechanical requirements for rebuilt cars as listed in Paragraph 7, Form "C" of Rule 38, and have been approved by the Transportation and Mechanical Divisions of the Association of American Railroads.

3. WEIGHT TICKETS:

Buyer at his expense shall furnish to Seller certified scale weight tickets showing gross, tare and net weights for each load of material/scraps removed. Scale tickets are to be sent to DIRECTOR ASSET DISPOSITION.

4. WARRANTY:

Conrail makes no warranty of any kind, express or implied, concerning the character or condition of the equipment, including (but not limited to) warranties in respect to the safety or structural integrity of the equipment, its similarity to other equipment, its conformity to applicable standards, safety codes, laws or regulations, its merchantability, or its fitness, suitability, or efficiency for any particular purpose. Purchaser assumes and shall release, defend, indemnify, protect and save harmless Conrail from and against all loss, damage, cost, expense, claims and actions based on, or in connection with, property loss or damage and personal injury or death suffered by any person, firm or corporation (including the parties hereto) arising out of the condition, character, use, operation, or maintenance of the equipment or produced in any manner upon Conrail's past ownership thereof, regardless of whether or not such loss, damage, injury or death is attributable to the fault or negligence of Conrail.

223011 - 1000 301 NORTH 10TH STREET - MINNEAPOLIS, MINN. 55401

Telephone: (612) 338-1000

and being received by the Director of Asset Disposition

Director of Asset Disposition

The Purchaser understands and agrees that the sale of the material or equipment described above is subject to the terms and conditions on the reverse side hereof and attached hereto.

THE PURCHASER'S SIGNATURE AND COMPANY NAME

DIRECTOR-ASSET DISPOSITION